

City of La Verkin

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La Verkin City Council Meeting Minutes Wednesday, December 2, 2015 6:00 p.m. Council Chambers, 111 S. Main, LaVerkin, Utah

Present: Mayor Kerry Gubler; Council Members: Richard Hirschi, Ken Hooten, Micah Gubler, and Randy Reeve; Staff: Kyle Gubler, Derek Imlay, Troylinn Benson, Kevin Bennett, Chief Ben Lee and Christy Ballard; Public: John Valenti, Caleb Rees, Mark Cram and Blair Gubler.

Councilwoman Chantelle Browning has been excused.

A. Called to Order – Invocation and the Pledge of Allegiance was given by Mayor Kerry Gubler at 6:00pm.

B. Presentation:

1. Mark Cram-Street Lights

Siemens has worked with several cities in the State of Utah looking for opportunities to help the city find savings in their infrastructure and then using those savings to pay for that infrastructure's improvements. It is a great way to get projects completed without having to find the capital to pay for it.

All cities have the challenge of aging infrastructure and a limited budget.

La Verkin is looking specifically at their street lighting. The improvements will generate savings and the savings will fund the project. Siemens will do an evaluation of the street lighting for La Verkin to determine exactly what the savings would be over a period. They would guarantee the City would receive those savings and if they miss on the amount, Siemens will make up the difference financially.

Siemens recommends improvements that would reduce the demand side costs, which will change the baseline. There will still be an increase but with a lower baseline, it will not increase as quickly. The supply side solution is the City's ability to negotiate better utility rates. Both items combined give the savings and money used to pay back for the projects. Once construction begins, the City will begin to realize savings that will continue to increase until the project has been completed.

Mark explained an RFP would be required.

Siemens has done a preliminary analysis for La Verkin City to see if they would like to move forward with the RFP. La Verkin would then select a partner to do a detailed analysis on the street lighting to come up with firm fixed pricing of the project and the guaranteed savings for the project.

Once that is complete and the project is viable then a contract would be signed.

The upfront money would come from a third party lending institution that the City would make draws from to pay Siemens for work completed. The City would receive the savings from the improvements until the project is complete then they would use those savings to begin to pay back the third party lending company.

Once the project is complete, the City will get a report from Siemens that states what has happened in the system, how much the City saved and what Siemens guaranteed. At that point, if there is a shortfall Siemens will issue the City a check.

The lending companies like to stay with a project payback period of 10-15 years. The terms for the most recent project Siemens is working on ended up being a 15-year, 2.75% rate.

Mark presented the Councilmembers with the estimated savings for La Verkin City and a projected 15-year project amount.

Siemens has a 99.3% accuracy rating on their projected savings amount.

Kyle thought the projected amount would cover the entire street light improvement project. There are additional questions that would need to be addressed before the project moved forward. One would be the equipment requirements to maintain our own streetlights. The City would also need to purchase the infrastructure before they could make improvements to it.

Mark explained the cost of purchasing the streetlights could be included in the overall cost of the project. There is no out of pocket expense to the City.

Rocky Mountain Power is encouraging cities to purchase their own streetlights and offer incentives to upgrade them once cities do own them.

Siemens is also able to negotiate and get a much better warranty than cities could get on their own. They have been getting warranties that are covering the parts on the lights for 10 years.

C. Consent Agenda: (Items on the consent agenda may not require discussion. These items will be a single motion unless removed at the request of the Mayor or City Council.)

1. Declarations of conflict of interest
2. Agenda
3. Minutes: November 4, 2015, 2015 regular meeting minutes and November 13, 2015 Special Meeting Minutes.
4. Review Invoices and Checks: \$145,064.32

Motion was made by Councilman Richard Hirschi to approve the consent agenda as written, including the November 4, 2015 regular meeting minutes, the November 13, 2015 special meeting minutes as written and checks and invoices in the amount of \$145,064.32, second by Councilman Micah Gubler. Roll Call Vote: Reeve-yes, Gubler-yes, Hooten-yes, Hirschi-yes. Motion carried unanimously.

D. Committee Reports:

1. Planning Commission-Councilman Hirschi reported there has not been a meeting. The next meeting will be in January.
2. Water Board-Mayor Gubler reported there has not been a meeting. The next meeting will be in January.
3. Sewer Board-Blair reported they would be finished cleaning La Verkin's lines in the next couple of weeks. They have also been working on some road repairs in the City.
4. Fire District-Councilman Hooten reported the tentative budget was approved. They also approved a merit board to assist in the management of the fire department and personnel matters.

Councilman Hirschi reported the paramedic/fireman that was going to Las Vegas has decided to stay.

E. Citizen Comment & Request for Future Agenda Items:

No comments were made.

F. Business:

1. Discussion and possible action to approve Ordinance No. 2015-11; An ordinance repealing the Fire Impact Fees currently set forth and included in Sec. 9-2-2 of the La Verkin City Code, to avoid double assessment of such fees on and after December 9, 2015 when the Hurricane Valley Fire District begins assessing and collecting such impact fees.

Mayor Gubler explained the City has been collecting the fees and paying them back to the Fire District. This ordinance will enable Hurricane Valley Fire District to collect the Fire fee on building permits effective December 9, 2015.

Motion was made by Councilman Ken Hooten to approve Ordinance No. 2015-11, an ordinance repealing the Fire Impact Fees currently set forth and included in Sec. 9-2-2 of the La Verkin City Code, to avoid double assessment of such fees on and after December 9, 2015 when the Hurricane Valley Fire District begins assessing and collecting such impact fees, second by Councilman Richard Hirschi. Hirschi-yes, Hooten-yes, Gubler-yes, Reeve-yes. Motion carried unanimously.

2. Discussion and possible action to authorize the City to go out to bid on the 2016 Road Maintenance Project, and to approve the language of the proposed bids, specifications, and contract therefor.

Kyle reported this is an annual maintenance project.

Derek explained that the qualifications have been widened. However, this project is basic mix ratio so anyone in the asphalt business would qualify.

Last year's project dollar amount was \$40,000, this year the budgeted amount is \$70-75,000.

Motion was made by Councilman Ken Hooten to authorize the City to go out to bid on the 2016 Road Maintenance Project, and to approve the language of the proposed bids, specifications, and contract therefor, second by Councilman Micah Gubler. Hirschi-yes, Hooten-yes, Gubler-yes, Reeve-yes. Motion carried unanimously.

3. Discussion and possible action to approve Resolution No. R-2015-15; A resolution changing the City's State Retirement Plan from Contributory to Noncontributory.

Mayor Gubler reported this item was presented to the Council during the November 4, 2015 City Council meeting.

Kevin explained this change would not allow the City to ask the employees to contribute to their retirement plan but will be a lower rate for the City because they will be part of a bigger insurance pool. Most cities in the State participate in the noncontributory plan. It also benefits the employees as well.

Troylinn mentioned the employees are able to choose which plan they would like to participate in.

Motion was made by Councilman Micah Gubler to approve Resolution No. R-2015-15; A resolution changing the City's State Retirement Plan from Contributory to Noncontributory, second by Councilman Randy Reeve. Hirschi-yes, Hooten-yes, Gubler-yes, Reeve-yes. Motion carried unanimously.

4. Discussion and possible action to approve Resolution No. R-2015-~~16~~; A resolution revising the City's Personnel Policy to provide for health insurance coverage for full-time employees and other employees for which coverage is mandated by applicable federal or state law, and to repeal the provision for long-term medical care coverage for City employees.

Kevin explained this resolution will make the City ACA compliant and leaves the full time employee health insurance requirement at 40 hours. The second part of the resolution removes long-term medical care coverage from our personnel policy; the Trust no longer offers that option. However, the employees are able to get and pay for coverage if they wish.

Motion was made by Councilman Richard Hirschi to approve Resolution No. R-2015-16; A resolution revising the City's Personnel Policy to provide for health insurance coverage for full-time employees and other employees for which coverage is mandated by applicable federal or state law, and to repeal the provision for long-term medical care coverage for City employees, second by Councilman Micah Gubler. Reeve-yes, Gubler-yes, Hooten-yes, Hirschi-yes. Motion carried unanimously.

5. Discussion and possible action to approve a monetary donation to the La Verkin Elementary School's Leader in Me Program.

Mayor Gubler said this item was mentioned during the last meeting. Councilwoman Browning had some concerns with the program. He has talked with parents, a school teacher and the administration and they all agree it has been a great program for La Verkin Elementary.

The donation in the past was \$500.00, this year he would like to donate up to \$1,000 from the Community & Economic Development line.

Councilman Gubler has also discussed the program with Principal Leavenworth who stated while this program is not perfect it does reach the most children. He also talked with several women who have volunteered at the elementary school for years and they are impressed with the results they have seen from this program. He is in support of it and is in favor of donating \$1,000.

Councilman Hooten agreed and said he too supports the program. The children he has talked to are responding very well to the program. He is in favor of the maximum donation.

Motion was made by Councilman Ken Hooten to donate \$1,000 to the La Verkin Elementary School's Leader in Me program, second by Councilman Richard Hirschi. Roll Call Vote: Hooten-yes, Gubler-yes, Reeve-yes, Hirschi-yes. Motion carried unanimously.

6. Presentation and acceptance of the fiscal year ending June 30, 2015 financial audit-Rees CPA.

Caleb passed out a copy of the financial statements. He thanked Kyle and Troylinn for all of their work.

The City did receive the highest opinion that any independent auditor can issue.

Last year there were two findings. One was with internal controls that deal with segregating duties. A plan was implemented and the City did not receive that finding this year.

There were no material weaknesses and no significant deficiencies. There were two small findings on compliance issues with State Laws. The first was budgetary. A city is not allowed to expend more than what has been appropriated and there were a few funds where that happened. This item has been discussed with Pelorus and management and should not be a problem next year.

The second finding deals with Open and Public Meetings Act. Once the meeting minutes have been approved, the City has three days to get the minutes uploaded onto a public website. This has been happening for the most part, there were a few instances where it did not.

The number of findings has declined, as has the significant of the findings.

The compliance report lets the State know how likely the city is to have State errors. Caleb determined the staff at La Verkin City is not likely to make compliance errors.

The General Fund is still healthy. The liabilities are moving downward and the fund balance is staying relatively consistent. The General Fund revenue is staying similar. The General Fund expenditures have a couple of variances. The large one is in the Streets and Public Works and is expected. It depends on the road projects.

The Water Fund is moving in the right direction, the liabilities are staying consistent and the cash and net income are both going up.

The Irrigation Fund is maintaining the liabilities, the cash had gone down four years ago but has since leveled off and the net income is continuing to move upward. The Fund is healthier than it was last year.

The Drainage Fund cash and liabilities are staying consistent with each other but the net income has some variances. It is holding steady so he is not concerned with this fund.

Overall, the City looks great. The staff is diligent in making sure all of the funds are healthy.

Motion was made by Councilman Ken Hooten to accept the annual Financial Report FY ending June 30, 2015, second by Councilman Richard Hirschi. Roll Call Vote: Gubler-yes, Hooten-yes, Hirschi-yes, Reeve-yes. Motion carried unanimously.

G. Staff, Mayor & Council Reports:

City Administrator-Kyle Gubler

Kyle emailed his report to the Councilmembers.

Saturday is Winterfest. There is a float for the Councilmembers.

There will be a Christmas Eve program this year. This is a tradition La Verkin has had for 108 years.

La Quinta Hotel has a joint utility meeting to discuss the changes made due to access from SR 9.

There is a DTEC handout included in his report discussing the Local Option Sales Tax. The County still has the option of including it on a future ballot.

The Water Board will be meeting to discuss increasing the secondary water rates.

Judge Myers will be at the January 6 meeting to give the Oath of Office for the newly elected council members.

Kyle included a copy of the CIB Capital Improvements list. This list will go to the Five Counties Association of Governments.

The Beautification Committee will be helping with the Christmas Eve program and will have a Christmas Lighting contest.

Kyle has been asked to be on the committee for the Transient System from St. George to Springdale.

Public Safety-Chief Ben Lee

Chief Lee reported Councilman Hooten was almost hit in the crosswalk today. A citizen was able to identify the suspect.

Officer Ross Fackler is still in the training process. He has attended training with Officer Wolsleger hosted by the Children's Justice Center dealing with how to interview children.

There has been a surge in burglaries.

La Verkin has been given its own day each month for their cases in the Justice Court. That has helped both the staff and with prosecution.

La Verkin police officers will be participating in the Shop with a Cop program again this year.

Councilman Hooten mentioned traffic is increasing during the non-traditional tourist months. He knows it is difficult for the officers to be present during school hours at the cross walk but feels it is necessary.

Chief explained more citations are being issued than in past years. He has considered hiring a reserve officer to handle code enforcement and help with traffic citations.

Councilman Hooten pointed out hiring a reserve officer to handle traffic citations might be cost neutral or possibly even increase the revenue for the City and suggested the Councilmembers look into finding money for the Police Department to do that.

Councilman Reeve asked about the percentage that comes back to the City from citations issued.

Chief replied the State has a formula that determines the amount.

Councilman Reeve wondered if staff was going to look into updating the City Code that relates to code enforcement.

Chief wondered if the City would like to do that. He does agree there are some areas that could be clearer but also doesn't want a Code that is so stringent it is unenforceable.

Councilman Reeve would like to see the Code clarified.

Director of Operations-Derek Imlay

Passed around two papers.

The Irrigation Water usage sheet lists how much water was used in November and has the total amount used and not used for the year. This was a very good year.

There was a break on the irrigation main line that required the water to be taken out of the system a day early. The break was the WCWCD's line.

The second paper was pictures of the SR17 water break. The line was deep enough the City had to hire Interstate Rock to reach it. This break took all of the money in the culinary maintenance budget. It will be added to the list of needed projects for the Master Water Plan and will hopefully qualify for a grant. The fire hydrants have become more of a concern and will be added to the list as well.

LaGrande Imlay was able to get 25 girls from a local youth home to help clean 2.6 miles of curb and gutter.

There are currently four culinary leaks the crew is working on.

Treasurer-Troylinn Benson

She is grateful the audit is complete and went as well as it did.

Lisia's 90-day probation is almost up. She is a quick learner and is a great addition to the City.

Mayor Gubler- The Water Board is discussing increasing the secondary water rates. Once they have a recommendation, it will be on the City Council agenda. Change is necessary because there is not enough income coming in to cover the leaks.

Hirschi- He has enjoyed working with the Council members and the City Staff the last four years.

*Hooten-*He was able to attend the Utah Transportation Board meeting and he spoke to the issue with the school crossing. The Director of UDOT was not very receptive of what he had to say however, the Board members seemed very responsive. He is asking citizens to write letters to the director of UDOT voicing their concerns with the safety of our schoolchildren.

Mayor Gubler mentioned the Lieutenant Governor would be in La Verkin in March, perhaps the City could have a letter drafted for him to deliver to UDOT.

*Gubler-*Nothing to report.

*Reeve-*Nothing to report.

H. Adjourn:

Motion was made by Councilman Ken Hooten to adjourn, second by Councilman Richard Hirschi. Hirschi-yes, Hooten-yes, Gubler-yes, Reeve-yes. Motion carried unanimously at 7:32pm.

Minutes were taken on behalf of the City Recorder by Christy Ballard.

January 16, 2016
Date Approved

ATTEST:

Kyle Gubler
Kyle Gubler
City Recorder

Kerry T. Gubler
Mayor Kerry T. Gubler